



U. S. Department of Justice
United States Attorney
Eastern District of Washington

PRESS RELEASE

FOR IMMEDIATE RELEASE Tuesday, August 05, 2008	FOR INFORMATION CONTACT: Thomas Rice, First Assistant U.S. Attorney (509) 353-2767
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“DIPLOMA MILL PROMOTER SENT TO PRISON”

Spokane – United States Attorney James A. McDevitt announced that Steven Karl Randock, Sr., age 69, was sentenced today for his role in conducting a worldwide diploma mill which operated out of the Spokane area by him, his wife and six others.

Steven Karl Randock, Sr. was ordered to serve 36 months in federal prison followed by 3 years of court supervision. He was ordered to forfeit his interest in over \$500,000 in seized cash and various bank accounts, real property and a 2001 Jaguar XK8.

James A. McDevitt, U.S. Attorney for the Eastern District of Washington, said, “Diploma mills pose a threat to the integrity of our educational system. They devalue education by making it difficult to distinguish between a legitimate and a fraudulent degree. They are unfair to those throughout the world who work long and hard for a legitimate degree.”

According to the plea agreements, from August 1999, until August 2005, Dixie Ellen Randock, Steven Karl Randock, Sr., Heidi Kae Lorhan, Roberta Lynn Markishtum, Kenneth Wade Pearson, Richard John Novak, Blake Alan Carlson, and Amy Leann Hensley operated an internet-based diploma business selling false and fraudulent academic products. These products included high school degrees, college and graduate-level degrees (e.g., Bachelor of Arts, Bachelor of Sciences, Master of Arts, Master of Sciences, and Doctor of Philosophy), fabricated academic transcripts, and “Professorships.” During this period, the diploma business sold approximately \$6,282,679 of fraudulent academic products to over nine thousand individuals located in the United States and elsewhere.

They created numerous fictitious institutions such as: Saint Regis University; James Monroe University; Robertstown University; Holy Acclaim University; Ameritech University; Fort Young University; Pan America University; All Saints American University; American Capital University; Blackstone University; Capital America University; Hampton Bay

University; Hartland University; Intech University; Nation State University; New Manhattan University and Graduate Institute; North United University; Port Rhode University; St. Lourdes University; Saint Renoir University; Stanley State Graduate University; Van Ives University; West American University; International MBA Institute; Apollo Certification Institute; James Monroe High School; Liberty Academy Preparatory High School; Trinity Christian High School; Mission College Preparatory High School; and Bradford Academy College Preparatory High School.

They also sold counterfeit diplomas and academic products purporting to be from legitimate academic institutions, such as the University of Maryland, George Washington University, Missouri University, and Texas A&M University.

Richard Novak previously pleaded guilty to one count of conspiracy to commit wire and mail fraud and to violate the Foreign Corrupt Practices Act, and a second count of violating the Foreign Corrupt Practices Act. Richard Novak admitted to paying bribes in excess of \$43,000 to several Liberian government officials in order to obtain accreditation from Liberia for Saint Regis University, Robertstown University, and James Monroe University, and to induce Liberian officials to issue letters and other documents to third parties falsely representing that Saint Regis University was properly accredited by Liberia. According to his plea agreement, between October 2002 and September 2004, approximately \$19,200 was wired from an account in the State of Washington controlled by Dixie Ellen Randock and Steven Karl Randock, Sr., to a bank account in Maryland in the name of the Liberian Consul.

Previously, Dixie Ellen Randock was sentenced to a 36 month term of imprisonment, followed by 3 years of court supervision; her daughter, Heidi Kae Lorhan was sentenced to 12 months and one day imprisonment, followed by 2 years of court supervision; and Roberta Markishtum was sentenced to a 4 month term of imprisonment followed by 1 year of court supervision. Blake Allan Carlson, Kenneth Wade Pearson, Richard John Novak, and Amy Leann Hensley will be sentenced at a later date.

The case was investigated by a multi-agency task force led by the United States Secret Service, in cooperation with the Internal Revenue Service, Criminal Investigation, Department of Treasury, Immigration and Customs Enforcement, the Federal Protective Service, Department of Homeland Security, the Washington State Attorney General's Office, the Spokane Police Department, the United States Postal Inspection Service, the U.S. Department of Veterans Affairs, Office of Inspector General and the United States Attorney's Office for the Eastern District of Washington. The case is being prosecuted by Assistant United States Attorney, George J.C. Jacobs, III.

CR-05-180-LRS